

Spencer® Newsmakers

FOR IMMEDIATE RELEASE

Michael Walther Named President and CEO of Spencer

WINDSOR, CT – Michael D. Walther has been elected President and Chief Executive Officer (CEO) of The Spencer Turbine Company, a wholly owned subsidiary of Alliance Holdings Inc., the Spencer Board of Directors has announced. Mr. Walther succeeds Richard Hart, who is retiring.

Mr. Walther's position became effective June 16, 2008. He assumes overall responsibility for leading the strategic direction of Spencer. He joins Spencer from New Bedford, Massachusetts-based Precix®, where he was President and CEO since 2000.

"Mike comes to his leadership role at Spencer with more than 25 years of experience crossing industries that include power generation, chemical processing, pulp and paper, steel and wastewater treatment," said Eric Lynn, Director, Portfolio Management at Alliance Holdings. "His strong background in strategic planning, organization management, sales and marketing, engineering, and operations will provide excellent leadership as he takes our company to the next level."

Mr. Walther also brings unique insight into lean manufacturing, including the Japanese-based continuous improvement approach known as *kaizen*. "His expertise in Total Productive Maintenance, set-up reduction methodologies and other lean concepts will sharpen Spencer's competitive edge in an increasingly global market," Mr. Lynn said.

Prior to running Precix, he was Vice President of Coltec's Garlock Sealing Technologies division, and Vice President of Coltec's Delavan Gas Turbine Products division. He also held positions at ABB and has served as an independent engineering consultant in electrical and mechanical engineering.

"I speak for the entire board when I say I have the utmost confidence in Mike's leadership abilities for taking our company to the next level," Mr. Lynn said. "To help ensure a smooth leadership transition, Dick Hart will remain with Spencer in his position as a company Director."

Mr. Walther holds a Bachelor of Science in Organizational Management from Roberts Wesleyan, Rochester, NY. He currently resides in Marion, MA with his wife and children.

The Spencer Turbine Company, founded in 1892, is a world recognized leader in the design and manufacture of centrifugal blowers, gas boosters, regenerative blowers, central vacuum systems, mobile vacuum units, separators, and system related electrical controls and accessories for use in industrial, municipal, institutional and commercial air and gas handling applications.

Alliance Holdings is a 100% employee-owned holding company (through an ESOP) that invests in market-leading manufacturers of industrial, commercial and construction products. Founded in 1994, Alliance has grown to become one of the largest ESOP companies in the country. Alliance's mission is to create an enduring, diversified ESOP-owned company that maximizes the value of our employee-owners retirement accounts.

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The Spencer Turbine Company

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